IN THE HIGH COURT OF JUDICATURE AT BOMBAY

APPELLATE SIDE

WRIT PETITION NO.904 OF 2005

Natha Mahadeo Khade & Ors. ...
Petitioners.
Versus
Sangola Municipal Council & Ors. ...Respondents.

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Mr. S. B. Deshmukh for the Petitioners.
Mr. K. Y. Mandlik for the Respondents.

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CORAM : A. P. SHAH AND
DR. D.Y. CHANDRACHUD, JJ.

June 23, 2005.

P.C.:

The Municipal Council of Sangola has constructed several shops in 1997, these being situated at Reservation No.24 in building No.1. There are 17 shops which form the subject matter of these proceedings. In pursuance of the auction that was held by the Municipal Council, the Petitioners were permitted to occupy 17 shops. The annual assessment was fixed at Rs.8,978. The term of lease was for three years. The term was extended for another period of three years in 2000 and thereafter for a like period in 2003. the Petitioners have challenged before this Court, a notice issued on 27th

March 2003 increasing occupation charges from Rs.8,978/- to about Rs.16,000/- and demand notices consequently issued on 10th/11th December 2004.

Having heard Counsel appearing on behalf of the contesting parties, we do not see any reason to interfere with the impugned decision of the Municipal Council. The facts as admitted would show that there was no revision of the rent between 1997 and 2003. The Municipal Council is entitled to a reasonable increase in the occupation charges. There is no compulsion upon the Petitioners to continue in occupation. However, if they wish to occupy the premises, they must be required to pay the charges that are fixed by the Municipal Council so long as the rates are not arbitrary or unconstitutional. Having regard to the fact that there has been no revision for a period in excess of six years, we do not find that the intervention of this Court in the exercise of the extra ordinary jurisdiction under Article 226 of the Constitution is warranted. There is no merit in the petition which is accordingly rejected.

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